



*State of Louisiana*  
DIVISION OF ADMINISTRATION

OFFICE OF STATE UNIFORM PAYROLL

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OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2003-32

TO: All ISIS HR Paid Agencies

FROM: Jena W. Cary  
Director

SUBJECT: Flexible Benefits Plan Indicator & Payroll Authorization Forms (SED-4's)

OSUP has identified several employees that have discrepancies between the Flexible Benefits Plan option and the miscellaneous deduction set up. On the ISIS HR Miscellaneous Plans Infotype (377), agencies are required to select an option (indicator/flag) for the Flexible Benefits Plan (FBP) for each and every employee. Below are excerpts from the ISIS HR Online Documentation System:

1. In the "Benefits Processing - Initial Enrollment", the Miscellaneous Plan (Flexible Benefits) **must be completed whether the employee is participating in Flexible Benefits or not**, by choosing the appropriate options.
2. In the "Maintain Benefits Plan - Exceptional Cases - Group Insurance Enrollment Only", enrollment in the Flexible Benefits Plan (selection of an option) is **mandatory**. Either choose the "Pre-Tax Option" or choose "Waived Flex Option" for the employee.
3. In the "Benefits Enrollment Correction", under Change Miscellaneous Plans, select **YES** for Pre-tax Option or select **NO** for Waived Flex Option.

If applicable to your agency, attached is a file created from ZP74, Recurring/Additional Payments/Deds Detail Report, as of 11/8/02 indicating the employees needing correction and/or review.

1. The first group are those employees that do not have a selection for the FBP (Flex Indicator = blank). These must be corrected.
2. The second group are those employees that have a Flex Indicator "N", but have a participating deduction on IT14. Either the Flex Indicator or the deduction must be corrected. Review of paperwork in the employee's file should identify which Infotype needs to be corrected and as of what date.
3. The third group are those employees that have a Flex Indicator "Y", but have a participating/eligible product coded as non-participating. These will have to be thoroughly reviewed to determine if the setup of the deduction in the non-participation wage type and/or the setup of the Flex Indicator are accurate, and corrections made if necessary.

Please refer to the ISIS HR Online Documentation System for making these corrections, and if necessary contact the ISIS HR Help Desk at (225) 342-2677. Remember, if the employee is discontinuing enrollment in the Flexible Benefits Plan, the WAIVED option must be selected.

Payroll Authorization forms (SED-4's) completed by the vendor representative may not indicate the appropriate selection (participating/non-participating) for an eligible product. The vendor does not know, and is not responsible for determining, if the employee is participating in the FBP. **It is the agency's responsibility to review the employee's enrollment in the FBP and to follow the policies enforced by the Flexible Benefits Plan Administrator (Group Benefits) to determine the correct set-up of the eligible product/deduction.**

Under usual processing circumstances, SED-4's must be signed by the Vendor Representative **and** employee prior to being entered into ISIS HR. However, the following situations **do not** require an employee's signature:

- SED-4's submitted to the agency by a vendor correcting the products and/or correcting amounts between products with no change in total semi-monthly premium, can be submitted with ***no employee signature required***.
- An employee does not agree to a rate increase and the deduction must be stopped at the beginning of the plan year.
- When OSUP determines a vendor violation of the payroll deduction rule and deductions must be stopped as directed by OSUP.

Any other situations in which an employee's signature is not required on SED-4's will be communicated to agencies through OSUP memorandum per situation.

SED-4's are preprinted by the vendor and approved by OSUP with product names grouped by 125 eligibility (FBP). Agencies should not process an SED-4 that has handwritten changes to product names.

If you have any questions, please contact Angel Vernon at (225) 342-5344.

JWC:ACV:kmb

Attachment: (Agency Specific)